GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:288
ANSWERED ON:22.12.2003
MARKET SHARE OF AI
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the international market share of Air India is very low;

(b) whether the Government has a proposal to increase the capacity and market share of Air India in view of its present low percentage of market share;

(c) if so, the initiatives takenthereon; and

(d) the details of the new destinations proposed to be introduced and capacity addition planned?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDY)

(a), (b), (c) and (d): A statement is laid on the Table of the Sabha.

STATEMENT IN REPLY TO PARTS (a) to (d) OF LOK SABHA STARRED QUESTION No.288 ANSWERED ON 22.12.2 REGARDING MARKET SHARE OF AI.

(a): Yes, Sir. Air India`s market share in the International Air Market to/from India was 19.9% in the year 2002.

(b) & (c): The Board of Directors of Air India in its meeting held on 8.11.2003 approved the proposal for acquisition of 10 medium capacity long-range (A340-300) and 18 small capacity short-range (B-737-800) aircraft at an estimated cost of Rs.10,589 crores. The project report relating to this proposal has not yet been received by the Government.

Air India has inducted on dry lease a total of 12 aircraft Viz. 2 B747-400 and 10 A310-300. One more B747-400 and one more A310-300 aircraft will shortly be taken on dry lease.

Besides induction of dry lease capacity, in order to enhance market share, Air India has also introduced various marketing initiatives.

(d): With the additional dry lease capacity inducted, Air India proposes to operate to Lagos as a new destination in the summer 2004 schedule. In recent times Air India has introduced twice weekly flight to Shanghai and added five flights to US per week.